

Ex-PP1

From: Roberts, Katy <katy.roberts@lehman.com>
Sent: Monday, April 7, 2008 7:41 AM
To: Begum, Liza <liza.begum@lehman.com>; Judd, Matthew <mjudd@london.whitecase.com>
Cc: Philip Price <philip.price@srmglobalfund.com>; Damodaran, Anand <adamodaran@london.whitecase.com>; Prime Services London Legal <gcslondonlegal@lehman.com>; McCombie-Lawrence, Alison <AMcCombi@lehman.com>; Rieb-Smith, Dominic <dominic.rs@lehman.com>; Morgan, Stephen P [Prime Svcs] <smorgan@lehman.com>; Railton, Bruce <bruce.railton@lehman.com>
Subject: RE: SRM Global Fund - equity prime brokerage account opening
Attach: CAPCO Lehman UK Letter 2008.pdf

Hi Matthew

Thank you for your comments on the PBA for SRM.

In relation to your general question around insurance, LBIE maintains a surety bond issued by CAPCO. As SIPA coverage is not available to customers of LBIE, the CAPCO bond does not provide SIPA excess coverage but instead covers the unsatisfied portion of a customer's net equity claim not otherwise provided by LBIE's assets or the LBHI guarantee. Each CAPCO surety bond has a one-year term, and requires an annual underwriting review. Please find attached the confirmation letter from CAPCO for LBIE's Surety Bond. More information, including the terms of the insurance and claims on CAPCO can be found at <http://www.capcoexcess.com/UK/aboutCAPCO.html>.

I understand that a number of the commercial points raised in your comments on the draft PBA have been discussed on a call this morning. We are reviewing your other comments and will revert shortly.

Kind regards
Katy

-----Original Message-----

From: Begum, Liza
Sent: 07 April 2008 09:30
To: 'Judd, Matthew'
Cc: Philip Price; Damodaran, Anand; Prime Services London Legal; McCombie-Lawrence, Alison; Rieb-Smith, Dominic; Morgan, Stephen P [Prime Svcs]; Roberts, Katy; Railton, Bruce
Subject: RE: SRM Global Fund - equity prime brokerage account opening

Matthew,

Katy Roberts cc in this email will be negotiating the equity prime brokerage agreement and will revert to you on this.

Kind regard,

Liza

-----Original Message-----

From: Judd, Matthew [mailto:mjudd@london.whitecase.com]
Sent: 07 April 2008 09:13
To: Begum, Liza
Cc: Philip Price; Damodaran, Anand
Subject: RE: SRM Global Fund - equity prime brokerage account opening

Thanks Liza. Could you also please change the terminology of "Agent" to "Investment Manager" in relation to SRM Cayman?

Regards
Matthew

-----Original Message-----

From: Begum, Liza [mailto:liza.begum@lehman.com]
Sent: 07 April 2008 09:00
To: Judd, Matthew; Iain.colquhoun@srmglobalfund.com;
fraser.mcintyre@srmglobalfund.com; philip.price@srmglobalfund.com
Cc: Prime Services London Legal; McCombie-Lawrence, Alison; Rieb-Smith,
Dominic; Railton, Bruce; Morgan, Stephen P [Prime Svcs]; Roberts, Katy;
Pettigrew, Josie; Damodaran, Anand
Subject: RE: SRM Global Fund - equity prime brokerage account opening

Matthew,

Thank you for your email. We will revert to you shortly on your comments.

Kind regard,

Liza

-----Original Message-----

From: Judd, Matthew [mailto:mjudd@london.whitecase.com]
Sent: 04 April 2008 19:02
To: Begum, Liza; Iain.colquhoun@srmglobalfund.com;
fraser.mcintyre@srmglobalfund.com; philip.price@srmglobalfund.com
Cc: Prime Services London Legal; McCombie-Lawrence, Alison; Rieb-Smith,
Dominic; Railton, Bruce; Morgan, Stephen P [Prime Svcs]; Roberts, Katy;
Pettigrew, Josie; Damodaran, Anand; Judd, Matthew
Subject: SRM Global Fund - equity prime brokerage account opening

Liza

On behalf of SRM, I attach our comments on the PB Agreement. We have

highlighted various points for discussion in the Agreement, and specifically SRM will need to understand your methodology for calculating margin and agree rates - I understand there is a meeting between the business sides on Monday at which this can be discussed further.

We look forward to receiving your comments.

Regards
Matthew

Matthew Judd
White & Case
5 Old Broad Street
London EC2N 1DW
Tel: +44 (0)20 7532 2108
Switchboard: +44 (0)20 7532 1000
Fax: +44 (0)20 7532 1001
email: mjudd@whitecase.com
website: www.whitecase.com

-----Original Message-----

From: Begum, Liza [mailto:liza.begum@lehman.com]
Sent: 26 March 2008 14:03
To: Iain.colquhoun@srmglobalfund.com; fraser.mcintyre@srmglobalfund.com; philip.price@srmglobalfund.com; Judd, Matthew
Cc: Prime Services London Legal; McCombie-Lawrence, Alison; Rieb-Smith, Dominic; Railton, Bruce; Morgan, Stephen P [Prime Svcs]; Roberts, Katy; Pettigrew, Josie
Subject: SRM Global Fund General Partner Limited for and on behalf of SRM Global Master Fund Limited Partnership- equity prime brokerage account opening

> Dear All,
>
> Please find attached for your review, the documentation necessary to
> enable Lehman Brothers International (Europe) ("LBIE") to open an
> equity prime brokerage account for SRM Global Fund General Partner
> Limited for and on behalf of SRM Global Master Fund Limited
> Partnership (the "Counterparty").
>
> International Prime Brokerage Agreement
>
> This covers a margin lending prime brokerage account.
>
>
> <<PB Charge Template 2008.doc>>
>
> Overseas Securities Lender's Agreement (OSLA) and related registration

> forms
>
> This covers shorting and margin lending of Hong Kong securities.
>
> Please note that on page 33 of the OSLA under the clauses entitled
> "Lender Warranties" and "Borrowers Warranties", the necessary
> elections must be made accordingly.
>
>
> <<LBIE HK OSLA for PB 01.02.06.DOC>> <<HK IRD registration
> form.pdf>> <<HK OSLA Letter of Authorization.DOC>>
>
Prospectus

I also attach our standard prospectus language.

> <<MIFID Irish Listed Prospectus Wording for Charge Structure.doc>>
>
> Supporting Documentation:
>
> The following documents will also be required in due course to
> complete our account opening due-diligence:
>
* Constitutional documents
> * Final Private Placement Memorandum
> * Executed Investment Management Agreement
* Executed Investment Advisory Agreement
* Executed Investment Sub-Advisory Agreement
> * Evidence that the individuals signing the documentation on
> behalf of the Counterparty are authorised to do so (i.e.. incumbency
> certificate and specimen signature lists)
> * Evidence that the internal formalities of the Counterparty have
> been met to enter into agreements and open accounts with LBIE (ie.
> board minutes)
> * Applicable IRS tax forms - please read and decide which is/are
> applicable. We require the original tax form to be returned to LBIE.
>
<<US TAX 2008.zip>>

> If you have any questions, please do not hesitate to contact me.

> Kind regards,

>

Liza

> Liza Begum
> Paralegal
> Prime Services London Legal
> Lehman Brothers International (Europe)
>
> 25 Bank Street I London I E14 5LE

> * Tel: +44 (0)20 7102 6966
> * Email: liza.begum@lehman.com
>

This message is intended only for the personal and confidential use of the designated recipient(s) named above. If you are not the intended recipient of this message you are hereby notified that any review, dissemination, distribution or copying of this message is strictly prohibited. This communication is for information purposes only and should not be regarded as an offer to sell or as a solicitation of an offer to buy any financial product, an official confirmation of any transaction, or as an official statement of Lehman Brothers. Email transmission cannot be guaranteed to be secure or error-free.

Therefore, we do not represent that this information is complete or accurate and it should not be relied upon as such. All information is subject to change without notice.

=====This message, including any attachments, is confidential and may be privileged or otherwise protected from disclosure. If you are not the intended recipient, please telephone or email the sender and please delete this message and any attachments from your system. If you are not the intended recipient you should not copy this message or its attachments or disclose their contents to any other person.

We believe, but do not warrant, that this e-mail, including any attachments, is virus free. You should take full responsibility for virus checking.

White & Case reserves the right to monitor all email communications (whether related to the business of White & Case or not) through its internal or external networks.

White & Case LLP is a limited liability partnership registered in England and Wales with registered number OC324340. The registered office address is 5 Old Broad Street, London EC2N 1DW. White & Case LLP is regulated by The Solicitors Regulation Authority (a copy of their code of conduct is available at www.sra.org.uk).

For further information about White & Case please see our website at www.whitecase.com or refer to any White & Case office.

This message is intended only for the personal and confidential use of the designated recipient(s) named above. If you are not the intended recipient of this message you are hereby notified that any review, dissemination, distribution or copying of this message is strictly prohibited. This communication is for information purposes only and should not be regarded as an offer to sell or as a solicitation of an offer to buy any financial product, an official confirmation of any transaction, or as an official statement of Lehman Brothers. Email transmission cannot be guaranteed to be secure or error-free. Therefore, we do not represent that this information is complete or accurate and it should not be relied upon as such. All information is subject to change without notice.

=====

=====This message, including any attachments, is confidential and may be privileged or otherwise protected from disclosure. If you are not the intended recipient, please telephone or email the sender and please delete this message and any attachments from your system. If you are not the intended recipient you should not copy this message or its attachments or disclose their contents to any other person.

We believe, but do not warrant, that this e-mail, including any attachments, is virus free. You should take full responsibility for virus checking.

White & Case reserves the right to monitor all email communications (whether related to the business of White & Case or not) through its internal or external networks.

White & Case LLP is a limited liability partnership registered in England and Wales with registered number OC324340. The registered office address is 5 Old Broad Street, London EC2N 1DW. White & Case LLP is regulated by The Solicitors Regulation Authority (a copy of their code of conduct is available at www.sra.org.uk).

For further information about White & Case please see our website at www.whitecase.com or refer to any White & Case office.

=====

This message is intended only for the personal and confidential use of the designated recipient(s) named above. If you are not the intended recipient of this message you are hereby notified that any review, dissemination, distribution or copying of this message is strictly prohibited. This communication is for information purposes only and should not be regarded as an offer to sell or as a solicitation of an offer to buy any financial product, an official confirmation of any transaction, or as an official statement of Lehman Brothers. Email transmission cannot be guaranteed to be secure or error-free. Therefore, we do not represent that this information is complete or accurate and it should not be relied upon as such. All information is subject to change without notice.